

## General Assembly

## **Amendment**

January Session, 2007

LCO No. 9604

\*SB0105409604SD0\*

Offered by:

SEN. COLEMAN, 2<sup>nd</sup> Dist. SEN. MCDONALD, 27<sup>th</sup> Dist. SEN. FASANO, 34<sup>th</sup> Dist.

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To: Subst. Senate Bill No. **1054** 

File No. 387

Cal. No. 325

"AN ACT REVISING THE PROCESS FOR THE TAKING OF REAL PROPERTY BY MUNICIPALITIES FOR REDEVELOPMENT AND ECONOMIC DEVELOPMENT."

- Strike everything after the enacting clause and substitute the
- 2 following in lieu thereof:
- 3 "Section 1. Section 8-125 of the general statutes is repealed and the
- 4 following is substituted in lieu thereof (Effective October 1, 2007, and
- 5 applicable to redevelopment plans adopted on or after said date):
- 6 As used in this chapter:
- [(a)] (1) "Redevelopment" means improvement by the rehabilitation
- 8 or demolition of structures, by the construction of new structures,
- 9 improvements or facilities, by the location or relocation of streets,
- 10 parks and utilities, by replanning or by two or more of these methods;

[(b)] (2) "Redevelopment area" means an area within the state which is deteriorated, deteriorating, substandard or detrimental to the safety, health, morals or welfare of the community. An area may consist partly or wholly of vacant or unimproved land or of land with structures and improvements thereon, and may include structures not in themselves substandard or insanitary which are found to be essential to complete an adequate unit of development, if the redevelopment area is deteriorated, deteriorating, substandard or detrimental. An area may include properties not contiguous to each other. An area may include all or part of the territorial limits of any fire district, sewer district, fire and sewer district, lighting district, village, beach or improvement association or any other district or association, wholly within a town and having the power to make appropriations or to levy taxes, whether or not such entity is chartered by the General Assembly;

[(c)] (3) A "redevelopment plan" shall include: [(1)] (A) A description of the redevelopment area and the condition, type and use of the structures therein; [(2)] (B) the location and extent of the land uses proposed for and within the area, such as housing, recreation, business, industry, schools, civic activities, open spaces or other categories of public and private uses; [(3)] (C) the location and extent of streets and other public utilities, facilities and works within the area; [(4)] (D) schedules showing the number of families displaced by the proposed improvement, the method of temporary relocation of such of families and the availability sufficient suitable accommodations at prices and rentals within the financial reach of such families and located within a reasonable distance of the area from which they are displaced; [(5)] (E) present and proposed zoning regulations in the redevelopment area; [(6)] (F) any other detail including financial aspects of redevelopment which, in the judgment of the redevelopment agency authorized herein, is necessary to give it adequate information;

[(d)] (4) "Planning agency" means the existing city or town plan commission or, if such agency does not exist or is not created, the

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- 45 legislative body or agency designated by it;
- [(e)] (5) "Redeveloper" means any individual, group of individuals
- 47 or corporation or any municipality or other public agency including
- any housing authority established pursuant to chapter 128;
- [(f)] (6) "Real property" means land, subterranean or subsurface
- 50 rights, structures, any and all easements, air rights and franchises and
- 51 every estate, right or interest therein; and
- 52 (7) "Deteriorated" or "deteriorating" with respect to a redevelopment
- 53 <u>area means an area within which at least twenty per cent of the</u>
- 54 <u>buildings contain one or more building deficiencies or environmental</u>
- 55 deficiencies, including, but not limited to: (A) Defects that warrant
- 56 <u>clearance</u>; (B) conditions from a defect that are not correctable by
- 57 <u>normal maintenance; (C) extensive minor defects that collectively have</u>
- 58 a negative effect on the surrounding area; (D) inadequate original
- 59 <u>construction or subsequent alterations; (E) inadequate or unsafe</u>
- 60 plumbing, heating or electrical facilities; (F) overcrowding or improper
- 61 location of structures on land; (G) excessive density of dwelling units;
- 62 (H) conversion of incompatible types of uses, such as conversion of a
- 63 structure located near family dwelling units to rooming houses; (I)
- obsolete building types, such as large residences or other buildings
- 65 which because of lack of use or maintenance have a blighting
- 66 influence; (J) detrimental land uses or conditions, such as incompatible
- 67 <u>uses, structures in mixed use, or adverse influences from noise, smoke</u>
- 68 or fumes; (K) unsafe, congested, poorly designed, or otherwise
- 69 <u>deficient streets; (L) inadequate public utilities or community facilities</u>
- 70 that contribute to unsatisfactory living conditions or economic decline,
- 71 or (M) other equally significant building deficiencies or environmental
- 72 deficiencies.
- 73 Sec. 2. Section 8-132 of the general statutes is repealed and the
- 74 following is substituted in lieu thereof (Effective October 1, 2007, and
- 75 applicable to property acquired on or after said date):
- 76 (a) Any person claiming to be aggrieved by the statement of

77 compensation filed by the redevelopment agency may, at any time 78 within six months after the [same] statement of compensation has been 79 filed, apply to the superior court for the judicial district in which such property is situated for a review of such statement of compensation so 80 81 far as [the same] it affects such applicant. The court, after causing 82 notice of the pendency of such application to be given to the 83 redevelopment agency, may appoint a judge trial referee to make a 84 review of the statement of compensation. Notwithstanding the 85 provisions of this subsection, upon motion of both parties or their 86 attorneys, the court shall refer the application to the Ombudsman for 87 Property Rights for a hearing pursuant to subdivision (2) of subsection 88 (b) of this section.

(b) (1) If the court appoints a judge trial referee, the judge trial referee, after giving at least ten days' notice to the parties interested of the time and place of hearing, shall hear the applicant and the redevelopment agency, shall view the property and take such testimony as the judge trial referee deems material and shall thereupon revise such statement of compensation in such manner as the judge trial referee deems proper and [forthwith] promptly report to the court. Such report shall contain a detailed statement of findings by the judge trial referee [,] sufficient to enable the court to determine the considerations upon which the judge trial referee's conclusions are based. The report of the judge trial referee shall take into account any evidence relevant to the fair market value of the property, including evidence of environmental condition and required environmental remediation. The judge trial referee shall make a separate finding for remediation costs and the property owner shall be entitled to a set-off of such costs in any pending or subsequent action to recover remediation costs for the property. The court shall review the report, and may reject [it] the report for any irregular or improper conduct in the performance of the duties of the judge trial referee. If the court rejects the report, [is rejected,] the court may appoint another judge trial referee to make such review and report or may refer the application to the Ombudsman for Property Rights upon motion as

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provided in subsection (a) of this section. If the court accepts the report, [is accepted, its] the statement of compensation in the report shall be conclusive upon such owner and the redevelopment agency.

(2) If the court refers the application to the Ombudsman for Property Rights pursuant to subsection (a) of this section, the ombudsman, after giving at least ten days' notice to the parties interested of the time and place of hearing, shall hear the applicant and the redevelopment agency, shall view the property and take such testimony as the ombudsman deems material and shall thereupon revise such statement of compensation in such manner as the ombudsman deems proper and promptly report to the court. Such report shall contain a detailed statement of findings by the ombudsman sufficient to enable the court to determine the considerations upon which the ombudsman's conclusions are based. The report of the ombudsman shall take into account any evidence relevant to the fair market value of the property, including evidence of environmental condition and required environmental remediation. The ombudsman shall make a separate finding for remediation costs and the property owner shall be entitled to a set-off of such costs in any pending or subsequent action to recover remediation costs for the property. The report submitted by the ombudsman shall constitute a part of the proceeding, and the statement of compensation in the report shall be conclusive upon such owner and the redevelopment agency.

(c) If the court does not appoint a judge trial referee or refer the application to the Ombudsman for Property Rights, the court, after giving at least ten days' notice to the parties interested of the time and place of hearing, shall hear the applicant and the redevelopment agency and take such testimony as [it] the court deems material, may view the subject property, and shall make a finding regarding the statement of compensation. The findings of the court shall take into account any evidence relevant to the fair market value of the property, including evidence of environmental condition and required environmental remediation. The court shall make a separate finding

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for remediation costs and the property owner shall be entitled to a setoff of such costs in any pending or subsequent action to recover remediation costs for the property. The findings of the court shall be conclusive upon such owner and the redevelopment agency.

- (d) If no appeal to the Appellate Court is filed within the time allowed by law, or if an appeal is filed and the proceedings have terminated in a final judgment finding the amount due the property owner, the clerk shall send a certified copy of the statement of compensation and of the judgment to the redevelopment agency, which shall, upon receipt thereof, pay such property owner the amount due as compensation. The pendency of any such application for review shall not prevent or delay any action that is proposed with regard to such property by the project area redevelopment plan.
- Sec. 3. (NEW) (*Effective from passage*) (a) As used in this section, "good will" means the benefits that accrue to a business that are unique to its location.
- 161 (b) The Ombudsman for Property Rights shall study the feasibility 162 of calculating relocation assistance for businesses displaced by eminent 163 domain or condemnation, pursuant to chapter 132 or 588l of the 164 general statutes, on the basis of any loss or gain in good will associated 165 with the displacement of the business. The ombudsman shall examine 166 (1) the possible methods for calculating such loss or gain in good will, 167 (2) the advantages and disadvantages of basing such relocation 168 assistance on any loss or gain in good will associated with the 169 relocation of the business, (3) the experience of other states in basing 170 relocation assistance on any loss or gain in good will associated with 171 the relocation of the business, and (4) possible strategies for 172 municipalities to plan to achieve the fiscal capacity necessary to 173 compensate property owners for lost good will associated with the 174 displacement of a business.
- 175 (c) Not later than January 1, 2008, the ombudsman shall submit a 176 report, in accordance with section 11-4a of the general statutes, on the

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ombudsman's findings and recommendations to the joint standing committees of the General Assembly having cognizance of matters relating to the judiciary and planning and development. If the ombudsman recommends that such good will relocation assistance be implemented in this state, the ombudsman shall recommend a method for implementing such recommendation with respect to chapters 132 and 588*l* of the general statutes.

- Sec. 4. Subsection (b) of section 8-273a of the general statutes, as amended by section 18 of substitute senate bill 167 of the current session, is repealed and the following is substitute in lieu thereof (Effective from passage and applicable to property acquired on and after said date):
- 189 (a) Notwithstanding any other provisions of the general statutes to 190 the contrary, whenever the Commissioner of Transportation 191 undertakes the acquisition of real property on a state or federally-192 funded project which results in any person being displaced from his 193 home, business, or farm, the Commissioner of Transportation is hereby 194 authorized to provide relocation assistance and to make relocation 195 payments to such displaced persons and to do such other acts and 196 follow procedures and practices as may be necessary to comply with 197 or to provide the same relocation assistance and relocation payments 198 as provided under the federal Uniform Relocation Assistance and Real 199 Property Acquisition Policies Act of 1970, 42 USC 4601 et seq. and any 200 subsequent amendments thereto and regulations promulgated 201 thereunder.
  - (b) (1) Whenever the Commissioner of Transportation acquires an outdoor advertising structure, the amount of compensation to the owner of the outdoor advertising structure shall include payment for relocation costs incurred by such owner.
- 206 (2) If the owner (A) is able to obtain, within one year of acquisition 207 by the commissioner, all state and local permits necessary for relocation of the outdoor advertising structure to another site in the

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209 Standard Metropolitan Statistical Area, as designated in the federal 210 census, in which the outdoor advertising structure is located, and (B) 211 such site was not previously offered for sale or lease to the owner of 212 the outdoor advertising structure, then the commissioner shall pay to 213 the owner the replacement cost of the outdoor advertising structure, 214 plus the fair market value of such outdoor advertising structure less 215 the fair market value of the new site. The fair market value of such site 216 shall be determined by the income capitalization method.

- (3) If the owner (A) is unable to obtain, within one year of acquisition by the commissioner, all state and local permits necessary for relocation to another site in the same Standard Metropolitan Statistical Area, as designated in the federal census in which the outdoor advertising structure is located, or (B) such site was previously offered for sale or lease to the owner of the outdoor advertising structure, the commissioner shall pay the replacement cost plus the fair market value of the outdoor advertising structure the commissioner has acquired. The owner shall provide to the commissioner written documentation sufficient to establish that all state and local necessary permits cannot be obtained for relocation within one year of acquisition or that the only available relocation sites have been previously offered for sale or lease to the owner.
- 230 (4) Any person aggrieved by determination of the amount of 231 compensation paid under this subsection may appeal to the State 232 Properties Review Board.
- 233 (5) The provisions of this subsection shall not be construed to
  234 authorize any action that is found to violate the provisions of 23 USC
  235 131 or 23 CFR 750 or the terms of an agreement entered into by the
  236 Commissioner of Transportation with the Secretary of Commerce
  237 pursuant to subsection (b) of section 13a-123."

This act shall take effect as follows and shall amend the following sections:

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Section 1	October 1, 2007, and	8-125
	applicable to redevelopment	
	plans adopted on or after	
	said date	
Sec. 2	October 1, 2007, and	8-132
	applicable to property	
	acquired on or after said	
	date	
Sec. 3	from passage	New section
Sec. 4	from passage and	8-273a(b)
	applicable to property	, ,
	acquired on and after said	
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